

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

19 June 2018

## New Gold AC Drilling Update

### Mt Ridley Project, Albany-Fraser / Yilgarn Craton Orogen

- Favourable geology encountered to date
- Gold geochemistry halo anomaly 3 km x 1.5 km
- Favourable magnetic complex

**Mount Ridley Mines Limited** (ASX: **MRD**) (“Mount Ridley”, “the Company”) is pleased to announce an exploration update at its 100% owned Mt Ridley Project located 70km north east of Esperance (WA).

#### Air Core Drilling (AC)

The recently commenced AC program has completed approximately 15% of the planned holes to basement. To date the geology observed in end-of-hole basement samples in several holes is interpreted to comprise variably silicified biotite and amphibole-bearing orthogneisses, with disseminated pyrite replacing amphibole within the silicified and altered gneiss. Sampling has been completed on all holes drilled to date, comprising:

- 4m composite samples to be assayed for gold downhole, to better understand the distribution of any gold in the regolith; and
- End-of-hole 1m samples when in basement, to be assayed with a multi (50) element assay package to characterise any gold and associated lithologies and alteration.

Due to problems with deeper than anticipated cover and issues with hole blockages due to running sands and swelling clays, drilling has temporarily been postponed because of the insufficient capacity of the current drill on site.

A replacement larger capacity AC/RC drill rig has been sourced and will be mobilised to site within approximately 2 weeks. The larger drill rig also has RC hammer capacity on hand to drill further into basement within those holes that may encounter more of the silicified and pyrite-bearing basement lithologies.

The immediate area of current AC drilling has not previously been drilled by past explorers. Those few previous AC and RAB drill holes drilled by past explorers in the region of the current program were terminated at comparable, or shallower, depth than the current basement intersections being encountered in the present AC drill program. It is anticipated that once the larger capacity drill is on site that drilling to sample basement lithologies will recommence and complete the entire basement sampling program.

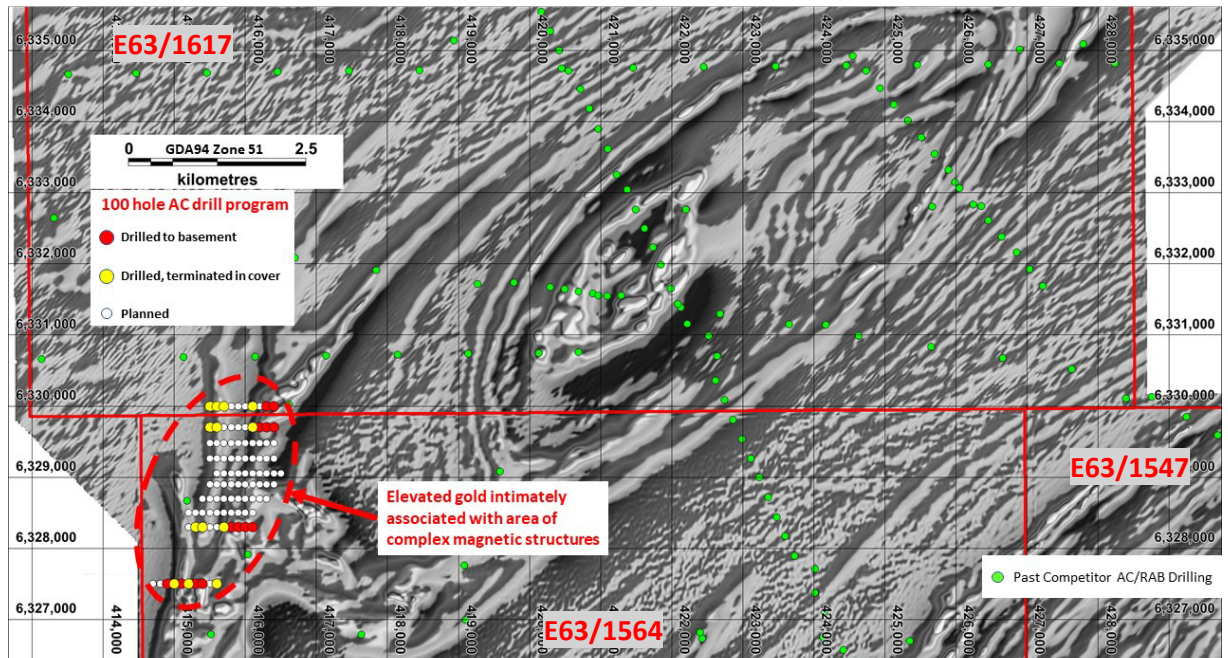


Figure 1. Detailed view of planned 100-hole AC drill program to test anomalous gold in regolith identified on E63/1564 (1<sup>st</sup> Vertical Derivative of Total Magnetic Intensity airborne magnetic data).

**Mount Ridley’s Managing Director, Ashley Hood commented;** “As interesting as the geology appears to be at this early stage, the success of the program will be based on the assay results, expected to be returned for those holes completed to date in approximately two to three weeks’ time”.

“Encouragingly the altered and pyrite-bearing basement geology observed to date beneath the gold halo anomaly currently being targeted clearly appears different to the recorded results of the historic AC and RAB drilling in the vicinity of the current program”.

The Company looks forward to updating the market once further information becomes available.

Mr Ashley Hood  
**Managing Director**

Visit [www.mtridleymines.com.au](http://www.mtridleymines.com.au) for additional information including past announcements.

### **Competent Persons Statement**

*The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Tony Donaghy who is a Registered Professional Geoscientist (P.Geo) with the Association of Professional Geoscientists of Ontario (APGO), a Recognised Professional Organisation. Mr Donaghy is a technical advisor to the Company. Mr Donaghy has sufficient experience which is relevant to the style and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Donaghy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

### **Forward Looking Statements Disclaimer**

*This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.*

### **About Mount Ridley Mines Ltd**

Mount Ridley Mines Ltd is a Perth based Australian Exploration Company focusing primarily on projects in the Albany Fraser Range region of Western Australia, 70kms north east of a major port in Esperance. The project has the potential to host major mineral deposits in base and precious metals including nickel, copper, cobalt, silver and gold.

The Company is managed by a team of highly motivated professionals with significant expertise in mineral exploration, mining operations, finance and corporate management with a proven track record of successfully delivering value to shareholders.

Mount Ridley Mines Ltd is actively targeting nickel/copper sulphide and gold deposits in the Albany Fraser Range and Yilgarn Craton Province of Western Australia, the site of Independence Groups Nova Nickel-Copper Deposit discovered by Sirius Resources NL. The Company currently has a tenement portfolio of approximately 846 sq kms or 84,643 Ha (including EL63/1902) in what is one of the world's most exciting emerging nickel and copper provinces.

